

REMARKS

This amendment is in response to the Official Action dated May 27, 2009. Claims 18-20 have been added; as such, claims 1-3, 5-7, 9-12, and 15-20 are now pending in this application. Claims 1, 11, and 20 are independent claims. Reconsideration is requested in view of the following remarks.

No new matter has been added by this Amendment. Support for the amended claims can be found in the specification as filed (See PG Pub. 2002/0026444, ¶¶87-89).

Rejections under 35 U.S.C. § 103

Claims 1-7, 9-12, and 15-17 have been rejected under 35 U.S.C. § 103 as being obvious over U.S. Patent No. 6,009,412 to Storey ("Storey"), in view of U.S. Patent No. 6,105,008 to Davis et al. ("Davis"), U.S. Patent No. 5,992,738 to Matsumoto et al. ("Matsumoto"), U.S. Patent No. 6,415,261 to Cybul et al. ("Cybul") and Business World, "Citibank, Cathay Pacific launch new credit card" ("Citibank").

Storey discloses an online award-point issuing system that accepts and processes user purchases and awards points immediately in response to user purchases. The system also includes a credit card processing component and a mechanism for sending the orders to a fulfillment center. The unique feature cited in the specification is the system's ability to immediately award points without users having to wait for their purchases to be fully processed before receiving award-points for their purchases, and for merchandisers to easily enter and leave the awards program (col. 2, ll. 21-32).

Davis discloses a smart card driven consumer transaction processing system. The system accepts the information read from a smart card to process a purchase by a user. The card acts as a credit card to process the transaction. The user begins by selecting products from a merchant website then selects to pay by smart card at the checkout window. The client terminal component then reads the user's smart card and sends the information to a bank payment server or a merchant server which processes the transaction by debiting the user's account. (Figs. 7-10).

Matsumoto discloses an IC card capable of storing balances and information relating to multiple accounts. For example, the card can store electronic money information and award point data. The system also allows for different types of security measures to be placed on the different accounts. Fig. 2 illustrates the storage of multiple point values associated with different shops and dates stored in a card's memory.

Cybul discloses a transaction system that allows for managing both internet based transactions and in-store transactions via a unified transaction server. In the background, Cybul discloses that the key improvement in Cybul is the unification of the virtual and Point of Sale transactions which allows for combined management of sales and inventory using a single transaction server. The system includes a single loyalty database, single purchase history database, and single authentication database for storing costumer information.

Citibank is a press release issued by Citibank regarding a Citibank-Cathay Pacific Visa Card where each use earns the user reward points which will automatically be converted to miles. Every 1.5 reward points is equal to one mile of points. Citibank is cited as a basis for a conversion factor for reward points to airline miles.

As amended, claim 1 recites:

A communication system comprising:

a first management apparatus for managing and settling a first transaction and generating a first privilege information generated in accordance with the first transaction, the first transaction being a virtual transaction, the virtual transaction being a transaction conducted between the first management apparatus and a user terminal, located at a remote location, without a point-of-sale terminal via a network using a user identifier that identifies the user in such a manner that the first privilege information and the user identifier are correlated with each other,

wherein the user identifier is stored in an IC card and uniquely associates the user to the IC card, and the first transaction is made using the IC card in conjunction with the user terminal; and

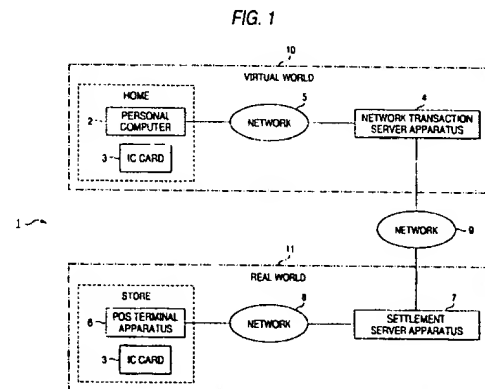
a second management apparatus for managing and settling a second transaction and generating a second privilege information that is generated in accordance with the second transaction, the second transaction being a real world transaction, the real world transaction being a transaction conducted between the second management apparatus and the user via a point-of-sale terminal, and using the user identifier in such a manner that the second privilege information and the user identifier are correlated with each other,

wherein the second transaction includes a settlement processing based on the user identifier and a price, and is also made using the IC card in conjunction with the point-of-sale terminal, and

wherein the second management apparatus converts the first privilege information that is managed by the first management apparatus into privilege information managed by the second management apparatus according to a prescribed conversion factor, and manages the privilege information obtained by the result of the conversion, such that the first privilege information is converted to the second privilege information and added to a total of the second privilege information for the user in response to a request from the user terminal to the second management apparatus to convert the first privilege information to the second privilege information.

With respect to claim 1, Applicant submits that the combination of Storey, Davis, Matsumoto, Cybul, and Citibank fails teach or suggest “a first management apparatus for managing and settling a first transaction and generating a first privilege information generated in accordance with the first transaction, the first transaction being a virtual transaction [and] a second management apparatus for managing and settling a second transaction and generating a second privilege information that is generated in accordance with the second transaction, the second transaction being a real world transaction.”

By example, Fig. 1 of the present application illustrates an example embodiment having a settlement server and a transaction server that each produce separate privilege information. The specification clearly illustrates this separation by highlighting that conversion and combination of first privilege information with the second privilege information requires a conversion step S45, employing a conversion factor.



While Storey discloses an online award points issuing system that accepts and processes user purchases and issues awards points immediately in response to user purchases, the system does not manage and settle real and virtual transactions separately or generate different privilege information in accordance with each type of transaction.

By comparison, claim 1 recites “a first management apparatus for ... generating a first privilege information ... a user identifier that identifies the user in such a manner that the first

privilege information and the user identifier are correlated with each other [and] a second management apparatus for ... generating a second privilege information using the user identifier in such a manner that the second privilege information and the user identifier are correlated with each other... [and] settlement processing based on the user identifier and a price" showing two different privilege information sets both associated with the same user identifier, **using the same user identifier** stored on an IC Card.

The above cited portion of the claim (1) includes a user identifier that is used to authorize point-of-sale transactions, associates the user with virtual privilege data; associates the user with real world privilege data; and (4) requires the separation of virtual privilege data and real world privilege data into separate machines.

There is no solid basis provided by any of the references for keeping the privilege data from the virtual transactions separate from the privilege data from the real-world transactions, while at the same time associating both with the same user identifier that is used to process transactions.

Arguably, the disclosure of multiple reward points systems may suggest keeping multiple rewards data separate, but in that case the data for each system will be associated with a different transactional ID (i.e., different credit card numbers). Alternatively, credit card numbers would fail to anticipate the present claim because alternative credit card numbers would be needed to identify the user with multiple awards systems. Furthermore, a social security number (or similar id) would fail to meet the requirement for being a *user identifier* for *settlement processing*; furthermore, such a number would never be stored on an IC card that can be read at a point-of-sale terminal.

Davis discloses a smart card driven consumer transaction processing system. Davis's system accepts information read from a smart card to process a purchase by a user. However, Davis similarly fails to disclose managing and settling real and virtual transactions separately and generating different privilege information in accordance with each type of transaction.

Matsumoto discloses an IC card capable of storing balances and information relating to multiple accounts. However, Matsumoto does not recognize the use of two apparatuses to perform

the virtual transactions and real transactions or generate different privileged information for each type of transaction.

Cybul discloses a transaction system that allows for managing both internet based transactions and in-store transactions. However, Cybul clearly uses a single settlement server for both virtual and real world transactions. More important, the use of a single server is the very key point of the Cybul disclosure, and implementing a contrary system would run contrary to the intended purpose of Cybul. Furthermore, where modification would run contrary to the purpose of the invention, there is no motivation for the change or combination (See MPEP § 2143.01).

Finally, Citibank only discloses a press release for a new credit card. The credit card press release has no technical data or implementation information besides providing a method for converting rewards points to airline miles.

Furthermore, Applicant submits that the combination of Storey, Davis, Matsumoto, Cybul, and Citibank fails teach or suggest *“converted to the second privilege information and added to a total of the second privilege information for the user in response to a request from the user terminal to the second management apparatus to convert the first privilege information to the second privilege information.”*

The Office Action cites to no specific reference to reject the claim feature of *“converted to the second privilege information and added to a total of the second privilege information for the user in response to a request from the user terminal to the second management apparatus to convert the first privilege information to the second privilege information.”*

Instead, the cited basis for rejecting the conversion of data *“in response to a request from the user terminal”* is that “Examiner considers the user using the card at the user terminal to be requesting the conversion of privilege information” (bottom of page 5). In essence, having failed to find this element in the art, the Examiner is taking official notice of an undisclosed element.

However, the position is incorrect on multiple grounds.

First, the language of the claims “*in response to a request from the user terminal to the second management apparatus.*” Prior to this statement the only association the *second management apparatus* has with the user is via the *point-of-sale terminal*, not the user terminal. Specifically, claim 1 recites “*a second management apparatus for managing and settling a second transaction ... the second transaction being a real world transaction, the real world transaction being a transaction conducted between the second management apparatus and the user via a point-of-sale terminal.*”

As is clear, the claim recites that the user terminal communicates with (1) the ‘first management apparatus’ to perform a ‘virtual transaction’ and (2) communicates with the ‘second management apparatus’ to issue a conversion request. The claim never associates the user terminal with the real-world transaction. Therefore, the assertion by the Examiner that “Examiner considers the user using the card at the user terminal to be requesting the conversion of privilege information” ignores the fact that the user terminal is never associated with the ‘second management apparatus’ for transaction purposes.

Accordingly, there is no basis to assert the “user using the card at the user terminal to be requesting the conversion of privilege information” as stated on page 5 of the Office Action.

Second, use of the user terminal to issue the “*request ... to convert the first privilege information to the second privilege information,*” cannot be automatic as argued by the Office Action, because the use of a separate devices (point-of-sale terminals for transactions; and user terminals for conversion requests) negates the argument that the step is somehow implied by some other action.

None of the references cited cure the above identified deficiencies as none make the distinction between virtual transactions and real-world transactions, none teach or suggest user driven conversion of privilege data, and none teach or suggest using the same user identification information for transactions and associating two types of privilege information.

Since, whether taken alone or in any combination, the references fail to teach or suggest the features recited in independent claim 1, a *prima facie* case of obviousness for that claim has not been established. For reasons similar to those provided regarding claim 1, independent claim 11 is also neither disclosed nor suggested by the relied upon references. The dependent claims are also distinct from the relied upon references, for their incorporation of the features recited in the respective independent claims, as well as the patentably distinct features separately recited therein.

Accordingly, Applicant respectfully requests reconsideration and withdrawal of the rejection of the claims under 35 U.S.C. § 103(a) as being unpatentable over Storey, Davis, Matsumoto, Cybul, and Citibank.

New Claims

Claims 18 and 19 provide further distinguishing features along the lines discussed with respect to claims 1 and 11 above. Particularly, the claims recite “*wherein the request from the user terminal, to the second management apparatus to convert the first privilege information to the second privilege information, is made subsequent to from the first transaction and second transaction.*” This provides a clearer separation between the request to convert the privilege information and the transactions themselves.

Claim 20 overcomes the cited art for the same reasons cited with respect to claims 1 and 11.

CONCLUSION

In view of the above amendment, applicant believes the pending application is in condition for allowance.

Applicant believes no fee is due with this response. However, if a fee is due, please charge our Deposit Account No. 18-0013, under Order No. SON-2200 from which the undersigned is authorized to draw.

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Respectfully submitted,

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